

# **House of Representatives**

# File No. 765

# General Assembly

February Session, 2016

(Reprint of File No. 540)

Substitute House Bill No. 5601 As Amended by House Amendment Schedule "A"

Approved by the Legislative Commissioner April 29, 2016

#### AN ACT CONCERNING REGIONALISM.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Section 7-148v of the general statutes is repealed and the 2
  - following is substituted in lieu thereof (*Effective from passage*):
- 3 (a) Notwithstanding the provisions of any municipal charter or any
- 4 special act to the contrary, any municipality may, by ordinance,
- establish requirements for competitive bidding for the award of any
- contract or the purchase of any real or personal property by the 6
- 7 municipality. Such ordinance may provide that, except as otherwise
- 8 required by any provision of the general statutes, sealed bidding shall
- not be required for contracts or purchases having a value less than or
- 10 equal to an amount established in the ordinance, which amount shall
- 11 not be greater than twenty-five thousand dollars. Nothing in this
- 12 section shall be deemed to invalidate any ordinance enacted by a
- 13 municipality prior to October 1, 1989. Nothing in this section and no
- 14 ordinance adopted pursuant to this section shall be construed to limit
- 15 the ability of a municipality to enter into a contract pursuant to section

- 16 4a-53a.
- 17 (b) Notwithstanding the provisions of the general statutes or any
- 18 municipal charter, special act or ordinance, any municipality may
- 19 purchase equipment, supplies, materials or services from a person who
- 20 <u>has a contract to sell such goods or services to other state governments,</u>
- 21 political subdivisions of the state, nonprofit organizations or public
- 22 purchasing consortia available through a regional educational service
- 23 <u>center or regional council of governments, in accordance with the</u>
- 24 provisions of such contract.
- Sec. 2. Section 4-124s of the general statutes is repealed and the
- 26 following is substituted in lieu thereof (*Effective from passage*):
- 27 (a) For purposes of this section:
- 28 (1) "Regional council of governments" means any such council
- 29 organized under the provisions of sections 4-124i to 4-124p, inclusive;
- 30 (2) "Municipality" means a town, city or consolidated town and
- 31 borough;
- 32 (3) "Legislative body" means the board of selectmen, town council,
- 33 city council, board of alderman, board of directors, board of
- 34 representatives or board of the warden and burgesses of a
- 35 municipality; [and]
- 36 (4) "Secretary" means the Secretary of the Office of Policy and
- Management or the designee of the secretary; and
- 38 (5) "Regional educational service center" has the same meaning as
- 39 provided in section 10-282.
- 40 (b) There is established a regional performance incentive program
- 41 that shall be administered by the Secretary of the Office of Policy and
- 42 Management. On or before December 31, 2011, and annually
- 43 thereafter, any regional council of governments, any two or more
- 44 municipalities acting through a regional council of governments, any

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economic development district, any regional educational service center or any combination thereof may submit a proposal to the secretary for:

(1) The joint provision of any service that one or more participating municipalities of such council, educational service center or agency currently provide but which is not provided on a regional basis, (2) a planning study regarding the joint provision of any service on a regional basis, or (3) shared information technology services. A copy of said proposal shall be sent to the legislators representing said participating municipalities. Any local or regional board of education or regional educational service center serving a population greater than one hundred thousand may submit a proposal to the secretary for a regional special education initiative.

- (c) (1) A regional council of governments, [or] an economic development district, a regional educational service center or a local or regional board of education shall submit each proposal in the form and manner the secretary prescribes and shall, at a minimum, provide the following information for each proposal: (A) Service or initiative description; (B) the explanation of the need for such service or initiative; (C) the method of delivering such service or initiative on a regional basis; (D) the organization that would be responsible for regional service or initiative delivery; (E) a description of the population that would be served; (F) the manner in which regional service or initiative delivery will achieve economies of scale; (G) the amount by which participating municipalities will reduce their mill rates as a result of savings realized; (H) a cost benefit analysis for the provision of the service <u>or initiative</u> by each participating municipality and by the entity or board of education submitting the proposal; (I) a plan of implementation for delivery of the service or initiative on a regional basis; (J) a resolution endorsing such proposal approved by the legislative body of each participating municipality; and (K) an explanation of the potential legal obstacles, if any, to the regional provision of the service or initiative.
- 77 (2) The secretary shall review each proposal and shall award grants 78 for proposals the secretary determines best meet the requirements of

79 this section. In awarding such grants, the secretary shall give priority to a proposal submitted by (A) any entity specified in subsection (a) of 80 81 this section that includes participation of all of the member 82 municipalities of such entity, and which may increase the purchasing 83 power of participating municipalities or provide a cost savings 84 initiative resulting in a decrease in expenses of such municipalities, 85 allowing such municipalities to lower property taxes, [and] (B) any economic development district, and (C) any local or regional board of 86 87 education.

- (d) On or before December 31, 2013, and annually thereafter until December 31, 2018, in addition to any proposal submitted pursuant to this section, any municipality or regional council of governments may apply to the secretary for a grant to fund: (1) Operating costs associated with connecting to the state-wide high speed, flexible network developed pursuant to section 4d-80, including the costs to connect at the same rate as other government entities served by such network; and (2) capital cost associated with connecting to such network, including expenses associated with building out the internal fiber network connections required to connect to such network, provided the secretary shall make any such grant available in accordance with the two-year schedule by which the Bureau of Enterprise Systems and Technology recommends connecting each municipality and regional council of governments to such network. Any municipality or regional council of governments shall submit each application in the form and manner the secretary prescribes.
- (e) The secretary shall submit to the Governor and the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding a report on the grants provided pursuant to this section. Each such report shall include information on the amount of each grant, and the potential of each grant for leveraging other public and private investments. The secretary shall submit a report for the fiscal year commencing July 1, 2011, not later than February 1, 2012, and shall submit a report for each subsequent fiscal year not later than the first day of March in such

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fiscal year. Such reports shall include the property tax reductions achieved by means of the program established pursuant to this section.

- Sec. 3. (NEW) (*Effective from passage*) Notwithstanding the provisions of the general statutes or any municipal charter or special act to the contrary, any municipality may enter into a partnership with one or more municipalities to share the services of one or more resident state troopers or other law enforcement personnel.
- 120 Sec. 4. (Effective from passage) The Department of Education shall 121 conduct a study regarding methods and practices local school districts 122 may utilize to reduce costs and increase efficiencies in the provision of 123 student transportation. Such methods and practices shall include, but 124 need not be limited to, the development of a statistical evaluation of 125 efficiency model, using linear programming that considers distances, 126 start times, end times, routes, population tiers, utilization and model 127 contract provisions, for local school district student transportation 128 operations. Not later than June 30, 2017, the Department of Education 129 shall submit a report of the results of such study and any 130 recommendations for the efficient transportation of students to the 131 joint standing committees of the General Assembly having cognizance 132 of matters relating to education and local governments, in accordance 133 with the provisions of section 11-4a of the general statutes.
- Sec. 5. Section 4-66n of the 2016 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
- 137 (a) There is established an account to be known as the "municipal reimbursement and revenue account" which shall be a separate, 139 nonlapsing account within the General Fund. The account shall contain any moneys required by law to be deposited in the account.
- 141 (b) Moneys transferred to the account in accordance with section 87 142 of public act 13-247 shall be expended by the Office of Policy and 143 Management as follows: (1) For the Nutmeg Network, two million one 144 hundred seventy-four thousand dollars; (2) for a tax incidence study,

seven hundred thousand dollars; [and] (3) for the universal chart of

- accounts, four hundred fifty thousand dollars; (4) to audit private
- 147 providers of special education services, in accordance with section 2-90
- 148 and sections 10-91g to 10-91i, inclusive, three hundred sixty-six
- thousand dollars; and (5) for the Department of Education, to conduct
- the study described in section 4 of this act, two hundred fifty thousand
- dollars. Such moneys for the universal chart of accounts may be used
- to reimburse expenses incurred on or after July 1, 2013.
- Sec. 6. Subsection (d) of section 8-23 of the 2016 supplement to the
- 154 general statutes is repealed and the following is substituted in lieu
- thereof (*Effective October 1, 2016*):
- (d) In preparing such plan, the commission or any special
- 157 committee shall consider the following: (1) The community
- development action plan of the municipality, if any, (2) the need for
- affordable housing, (3) the need for protection of existing and potential
- 160 public surface and ground drinking water supplies, (4) the use of
- 161 cluster development and other development patterns to the extent
- 162 consistent with soil types, terrain and infrastructure capacity within
- the municipality, (5) the state plan of conservation and development
- adopted pursuant to chapter 297, (6) the regional plan of conservation
- and development adopted pursuant to section 8-35a, as amended by
- 166 <u>this act,</u> (7) physical, social, economic and governmental conditions
- and trends, (8) the needs of the municipality including, but not limited
- 168 to, human resources, education, health, housing, recreation, social
- 169 services, public utilities, public protection, transportation and
- 170 circulation and cultural and interpersonal communications, (9) the
- objectives of energy-efficient patterns of development, the use of solar
- and other renewable forms of energy and energy conservation, (10)
- 173 protection and preservation of agriculture, [and] (11) sea level change
- 174 scenarios published by the National Oceanic and Atmospheric
- 175 Administration in Technical Report OAR CPO-1, and (12) the need for
- 176 <u>technology infrastructure in the municipality</u>.
- Sec. 7. Subsection (a) of section 8-35a of the general statutes is

repealed and the following is substituted in lieu thereof (*Effective October 1, 2016*):

(a) At least once every ten years, each regional council of governments shall make a plan of conservation and development for its area of operation, showing its recommendations for the general use of the area including land use, housing, principal highways and freeways, bridges, airports, parks, playgrounds, recreational areas, schools, public institutions, public utilities, agriculture and such other matters as, in the opinion of the council, will be beneficial to the area. Any regional plan so developed shall be based on studies of physical, social, economic and governmental conditions and trends and shall be designed to promote with the greatest efficiency and economy the coordinated development of its area of operation and the general welfare and prosperity of its people. Such plan may encourage energyefficient patterns of development, the use of solar and other renewable forms of energy, and energy conservation. Such plan shall be designed to promote abatement of the pollution of the waters and air of the region. Such plan shall consider the need for technology infrastructure in the region. The regional plan shall identify areas where it is feasible and prudent (1) to have compact, transit accessible, pedestrianoriented mixed use development patterns and land reuse, and (2) to promote such development patterns and land reuse and shall note any inconsistencies with the following growth management principles: (A) Redevelopment and revitalization of regional centers and areas of mixed land uses with existing or planned physical infrastructure; (B) expansion of housing opportunities and design choices accommodate a variety of household types and needs; concentration of development around transportation nodes and along transportation corridors support to the viability transportation options and land reuse; (D) conservation and restoration of the natural environment, cultural and historical resources and traditional rural lands; (E) protection of environmental assets critical to public health and safety; and (F) integration of planning across all levels of government to address issues on a local,

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212 regional and state-wide basis. The plan of each region contiguous to

- 213 Long Island Sound shall be designed to reduce hypoxia, pathogens,
- 214 toxic contaminants and floatable debris in Long Island Sound.
- Sec. 8. Section 16a-27 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2016*):
- 217 (a) The secretary, after consultation with all appropriate state, 218 regional and local agencies and other appropriate persons, shall, prior 219 to March 1, 2012, complete a revision of the existing plan and enlarge it 220 to include, but not be limited to, policies relating to transportation, 221 energy and air. Any revision made after July 1, 1995, shall take into 222 consideration the conservation and development of greenways that 223 have been designated by municipalities and shall recommend that 224 state agencies coordinate their efforts to support the development of a 225 state-wide greenways system. The Commissioner of Energy and 226 Environmental Protection shall identify state-owned land for inclusion 227 in the plan as potential components of a state greenways system.
- (b) Any revision made after August 20, 2003, shall take into account (1) economic and community development needs and patterns of commerce, and (2) linkages of affordable housing objectives and land use objectives with transportation systems.
- 232 (c) Any revision made after March 1, 2006, shall (1) take into 233 consideration risks associated with natural hazards, including, but not 234 limited to, flooding, high winds and wildfires; (2) identify the potential 235 impacts of natural hazards on infrastructure and property; and (3) 236 make recommendations for the siting of future infrastructure and 237 property development to minimize the use of areas prone to natural 238 hazards, including, but not limited to, flooding, high winds and 239 wildfires.
- (d) Any revision made after July 1, 2005, shall describe the progress towards achievement of the goals and objectives established in the previously adopted state plan of conservation and development and shall identify (1) areas where it is prudent and feasible (A) to have

244 compact, transit accessible, pedestrian-oriented mixed-use 245 development patterns and land reuse, and (B) to promote such 246 development patterns and land reuse, (2) priority funding areas 247 designated under section 16a-35c, and (3) corridor management areas 248 on either side of a limited access highway or a rail line. In designating 249 corridor management areas, the secretary shall 250 recommendations that (A) promote land use and transportation 251 options to reduce the growth of traffic congestion; (B) connect 252 infrastructure and other development decisions; (C) promote 253 development that minimizes the cost of new infrastructure facilities 254 and maximizes the use of existing infrastructure facilities; and (D) 255 increase intermunicipal and regional cooperation.

(e) Any revision made after October 1, 2008, shall (1) for each policy recommended (A) assign a priority; (B) estimate funding for implementation and identify potential funding sources; (C) identify each entity responsible for implementation; and (D) establish a schedule for implementation; and (2) for each growth management principle, determine three benchmarks to measure progress in implementation of the principles, one of which shall be a financial benchmark.

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- (f) Any revision made after October 1, 2009, shall take into consideration the protection and preservation of Connecticut Heritage Areas.
- (g) Any revision made after December 1, 2011, shall take into consideration (1) the state water supply and resource policies established in sections 22a-380 and 25-33c, and (2) the list prepared by the Commissioner of Public Health pursuant to section 25-33q.
  - (h) Any revision made after October 1, 2013, shall (1) take into consideration risks associated with increased coastal erosion, depending on site topography, as anticipated in sea level change scenarios published by the National Oceanic and Atmospheric Administration in Technical Report OAR CPO-1, (2) identify the

impacts of such increased erosion on infrastructure and natural resources, and (3) make recommendations for the siting of future infrastructure and property development to minimize the use of areas prone to such erosion.

- 280 <u>(i) Any revision made after October 1, 2016, shall take into</u> 281 <u>consideration the need for technology infrastructure in the</u> 282 <u>municipality.</u>
- [(i)] (j) Thereafter on or before March first in each revision year the secretary shall complete a revision of the plan of conservation and development.

This act shall take effect as follows and shall amend the following sections:					
Section 1	from passage	7-148v			
Sec. 2	from passage	4-124s			
Sec. 3	from passage	New section			
Sec. 4	from passage	New section			
Sec. 5	from passage	4-66n			
Sec. 6	October 1, 2016	8-23(d)			
Sec. 7	October 1, 2016	8-35a(a)			
Sec. 8	October 1, 2016	16a-27			

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

#### **OFA Fiscal Note**

#### State Impact:

Agency Affected	Fund-Effect	FY 17 \$	FY 18 \$
Policy & Mgmt., Off.	Municipal	Potential	Potential
	Reimbursement		
	and Revenue		
	Account - Cost		
Policy & Mgmt., Off.	Regional	Potential	Potential
	Performance		
	Incentive Account		
	- Cost		

Note: GF=General Fund

#### Municipal Impact:

Municipalities	Effect	FY 17 \$	FY 18 \$
Various Municipalities	Savings	Potential	Potential

#### Explanation

Sections 1 and 3 allow municipalities to purchase certain goods and services from certain regional entities, and allow municipalities to share resident state troopers. To the extent that municipalities 1) purchase goods and services from regional entities and 2) share resident state troopers, there is a potential savings. Such savings would vary based on the value of the goods purchased, or the provisions of any agreement to share resident state troopers.

**Section 2** allows Regional Education Service Centers (RESCs) to apply for regional performance incentive grants. The bill also allows certain RESCs and local or regional boards of education to submit a proposal for a special education initiative. There is a cost to the Regional Planning Incentive Account (RPIA), to the extent that these provisions result in increased grant payments.

The RPIA is estimated to have a balance of approximately \$1.7 million at the end of FY 16. However, it should be noted that PA 15-244, the FY 16 and FY 17 budget, eliminates the transfer of any revenue into the account in FY 17. This means that only \$1.7 million will be available for RPIA expenditures in FY 17.

**Sections 4 and 5** require the State Department of Education to conduct a study concerning public school transportation and allows \$250,000 from the nonlapsing Municipal Reimbursement and Revenue Account (MRRA) to be used for the study. It also allows \$366,000 from MRRA to be used for an audit of private providers of special education.

MRRA is expected to have a balance of approximately \$350,000 at the end of FY 16.

**Sections 6 to 8** expand the requirements of local planning and development plans. This has no fiscal impact, as municipalities are already required to create and periodically update such plans.

House "A" strikes the underlying bill and results in the above identified fiscal impact.

# OLR Bill Analysis sHB 5601 (as amended by House "A")\*

# AN ACT CONCERNING THE CONNECTICUT TRANSPORTATION INSTITUTE AND A STUDY OF SCHOOL TRANSPORTATION EFFICIENCIES.

#### SUMMARY:

This bill makes several changes related to increasing municipal efficiencies and regional cooperation. It:

- 1. authorizes municipalities to purchase equipment, supplies, materials, or services from certain entities;
- 2. expands the types of entities that are eligible for regional performance incentive program (RPIP) grants;
- 3. sunsets the option to apply for RPIP grants to cover operating and capital costs associated with connecting to the statewide high-speed network (i.e. Nutmeg Network);
- 4. allows non-adjoining municipalities to enter into an agreement to share the services of a resident state trooper or other law enforcement personnel;
- 5. requires the State Department of Education (SDE) to study methods of increasing efficiencies in school transportation;
- 6. requires the Office of Policy and Management (OPM) to use municipal reimbursement and revenue account funds for specified purposes, including the SDE study; and
- 7. requires entities updating their plans of conservation and development to consider the need for technology infrastructure.

\*House Amendment "A" (1) requires SDE, rather than the Connecticut Transportation Institute, to conduct a study on student transportation and makes changes to the required statistical analysis and (2) adds the provisions concerning (a) municipal goods and services contracts, (b) RPIP grants, (c) sharing law enforcement personnel, (d) municipal reimbursement and revenue account expenditures, and (e) plans of conservation and development.

EFFECTIVE DATE: Upon passage, except the provisions concerning plans of conservation and development are effective October 1, 2016.

## § 1 — GOODS AND SERVICES CONTRACTS

The bill authorizes municipalities, notwithstanding state statutes, municipal charters, special acts, or ordinances, to purchase equipment, supplies, materials, or services from certain entities. These entities are persons that have a contract with a regional educational service center (RESC) or regional council of governments (COG) to sell such goods or services to the state, municipalities, nonprofits, or public purchasing consortia. Existing law, unchanged by the bill, requires municipalities to use competitive bidding procedures for certain contracts funded in whole or in part by the state (e.g., school construction contracts).

#### § 2 — RPIP GRANTS

Under existing law, RPIP grants provide funds to municipalities and regional entities for (1) jointly performing a service they have been performing separately, (2) a planning study on joint service provisions, or (3) shared information technology services. The bill additionally makes RESCs eligible for RPIP grants for these purposes. It also makes local and regional boards of education serving a population of 100,000 or more eligible to apply for RPIP grants for a regional special education initiative.

Under existing law, the secretary must give priority to proposals submitted by (1) an economic development district or (2) a COG, if all the member municipalities are participating and the proposal will increase purchasing power or provide cost savings. The bill

additionally requires the secretary to give priority to proposals submitted by a (1) local or regional board of education or (2) RESC, if all the member municipalities are participating and the proposal will increase purchasing power or provide cost savings.

The bill sunsets, on December 31, 2018, the option to apply for RPIP grants to cover operating and capital costs associated with connecting to the Nutmeg Network. By law, municipalities and COGs are eligible for such grants, which the OPM secretary must make available in accordance with the Bureau of Enterprise Systems and Technology's connection schedule.

### § 3 — SHARING LAW ENFORCEMENT PERSONNEL

The law allows the emergency services and public protection commission to appoint a state trooper to serve as a resident state trooper in a single municipality or adjoining municipalities and specifies municipalities' financial responsibilities with regard to such a trooper (CGS § 29-5). The bill, notwithstanding any statute, municipal charter, or special act, additionally allows non-adjoining municipalities to enter into an agreement to share the services of a resident state trooper or other law enforcement personnel. The bill does not define "other law enforcement personnel" or specify the procedure by which a state trooper may be assigned to serve such municipalities.

## § 4 — SCHOOL TRANSPORTATION COSTS

The bill requires SDE to study methods and practices local school districts can use to reduce costs and increase efficiency in school transportation. The study must include a statistical model for evaluating efficiencies in student transportation operations using linear programming that considers distances, start times, end times, routes, population tiers, utilization, and model contract provisions for such operations. By June 30, 2017, SDE must report to the Education and Planning and Development committees on the study and any recommendations.

The bill allocates \$250,000 from the municipal reimbursement and

revenue account to fund the study (see below).

# § 5 — MUNICIPAL REIMBURSEMENT AND REVENUE ACCOUNT EXPENDITURES

The bill requires OPM to use municipal reimbursement and revenue account funds as follows:

- 1. \$366,000 for audits of private special education service providers required by existing law (see below) and
- 2. \$250,000 for SDE's student transportation study (see above).

Existing law requires the state auditors to examine the records and accounts of certain private providers of special education services at least once every seven years. A private provider is a private school, agency, or institution, including a group home, that receives state or local funds to provide special education services to any student with an individualized education program or individual services plan written by the student's local or regional board of education (CGS § 10-91g).

#### §§ 6-9 — PLANS OF CONSERVATION AND DEVELOPMENT

The bill requires municipalities, COGs, and OPM to consider, when updating their respective plans of conservation and development, the need for technology infrastructure in their respective jurisdictions.

Plans of conservation and development are statements of development, resource management, and investment policies. Municipalities and COGs must update their plans at least once every 10 years; OPM must submit an updated plan to the legislature for its approval once every five years (CGS §§ 8-23, 8-35a, and 16a-24 et seq.).

#### BACKGROUND

#### **RESCs**

RESCs are regional entities that provide educational services and programs on behalf of boards of education, including special education services; professional development; recruiting; teacher and school

employee fingerprinting and background checks; administrative and transportation services for the Open Choice program; and, in some cases, operation of interdistrict magnet schools (CGS § 10-66a et seq.). There are six RESCs in the state: Area Cooperative Educational Services, Capitol Region Education Council, Cooperative Education Services, EASTCONN, Education Connection, and LEARN.

#### Related Bills

sHB 5602 (File 466), reported favorably by the Planning and Development Committee, includes provisions related to (1) municipal goods and services contracts, (2) sharing law enforcement personnel, (3) funding for audits of private special education service providers, and (4) RPIP grant eligibility.

HB 5603 (File 497), reported favorably by the Planning and Development Committee, includes provisions related to (1) municipal, regional, and state plans of conservation and development and (2) sunsetting RPIP grants for costs associated with connecting to the Nutmeg Network.

#### **COMMITTEE ACTION**

Planning and Development Committee

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Joint Favorable Substitute
Yea 20 Nay 0 (03/18/2016)
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Appropriations Committee

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Joint Favorable
Yea 33 Nay 21 (04/18/2016)
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